

BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of)

Performance Measurements and)
Reporting Requirements)
for Operations Support Systems)
Interconnection, and Operator)
Services and Directory Assistance.)
_____)

CC Docket No. 98-56

[FCC 98-72]

REPLY COMMENTS OF THE
NATIONAL ASSOCIATION OF REGULATORY UTILITY COMMISSIONERS

CHARLES D. GRAY
GENERAL COUNSEL

JAMES BRADFORD RAMSAY
ASSISTANT GENERAL COUNSEL

NATIONAL ASSOCIATION OF REGULATORY
UTILITY COMMISSIONERS

1100 PENNSYLVANIA AVENUE, N.W. , SUITE 603
PO Box 684
WASHINGTON, D.C. 20044
(202) 898- 2200

July 6 , 1998

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NATIONAL ASSOCIATION OF REGULATORY UTILITY COMMISSIONERS**

In accordance with the Federal Communications Commission's ("Commission" or "FCC") rules of practice and procedure, the National Association of Regulatory Utility Commissioners ("NARUC") files the following reply comments generally supporting comments filed June 2, 1998 by the Washington Utilities and Transportation Commission ("WUTC") in response to the FCC's April 17, 1998 Notice of Proposed Rulemaking ("NPRM") in the above-captioned proceedings.

In support of its comments, NARUC states as follows:

I. BACKGROUND

On August 19, 1997, the FCC adopted a Memorandum Opinion and Order ("271 Order") in CC Docket No. 97-137 captioned "*In the Matter of Application of Ameritech Michigan to Provide In-Region, InterLATA Services In Michigan.*" The 271 Order found that Operational Support System ("OSS") functions that Bell Operating Companies ("BOCs") provide to competing carriers for the ordering and provisioning of resale services must be equivalent to the access they provide to themselves. That order also found that, in determining if a BOC has met its OSS obligations under Section 271 of the Telecommunications Act of 1996 ("Act"), 47 U.S.C. Sections 151 et seq, the FCC must ascertain whether the access to OSS functions provided by the BOC supports the three modes of competitive entry strategies established by the Act: interconnection, unbundled network elements, and services offered by resale.

In response to the 271 Order, NARUC passed a resolution in November 1997 generally commending the FCC for its initial OSS evaluation in the 271 Order, supporting generally the development of performance measurement categories and methodologies for provision of access to the components of OSS functions and suggesting the FCC engage in a negotiated rulemaking procedure to establish OSS guidelines. The complete text of that resolution is attached to this pleading as Appendix A.

In response to NARUC's resolution and related requests by several industry groups,¹ in April 1998, the FCC issued the OSS NPRM proposing "model rules" by which to gauge whether new providers of local telephone service are able to access certain services and functions of incumbent local telephone companies in a manner consistent with the Telecommunications Act of 1996. Significantly, recognizing that the States have made some progress in the OSS arena, the FCC chose to propose the standards as "model rules in the first instance, rather than legally binding federal rules," so that the rules could "assist states in the technical area of performance measurements without hampering current state efforts to develop" similar measurements. NPRM at Paragraph 4.

In response to the FCC's NPRM, WUTC staff worked for months with the staff of several other state regulatory utility commissions in the 14 state U S WEST region to develop an understanding of operation support system performance measurement issues. On June 2, 1998 the WUTC filed comments essentially co-authored cooperatively by the multi-state staff group.

II. NARUC Generally Supports the WUTC Initial Comments

Because the OSS NPRM issued in April – a little over a month after NARUC's winter meetings in Washington, D.C., NARUC did not have an opportunity to formally address the proposed rules in a resolution.

¹ See, e.g., Comments Requested on LCI Petition for Expedited Rulemaking to Establish Reporting Requirements and Performance and Technical Standards for Operations Support Systems, Public Notice, DA No. 97-1211 (rel. June 10, 1997) (June 10th Public Notice).

However, it is clear the NPRM is based on NARUC's November resolution and is sensitive to State concerns. Indeed, according to the NPRM, at Paragraph 4, "[t]he primary goal of this Notice . . . is to provide guidance . . . to the states and the industry on a set of performance measurements and reporting requirements that will help spur the development of local competition . . . [t]his approach will allow those states that have commenced proceedings to incorporate the model performance measurements and reporting requirements as they deem beneficial and aid those states that have not begun work in this area."

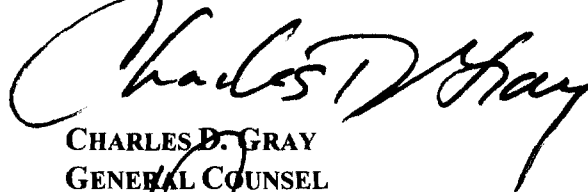
The WUTC comments (1) endorse the FCC proposal to adopt model, *non-binding* operations support systems performance measurement and reporting guidelines *to facilitate State implementation, monitoring, and enforcement* of nondiscriminatory interconnection and to ensure that incumbent local exchange companies do not discriminate against their competitors in their own favor, (2) note that "States have responsibility for service quality levels, monitoring and enforcement" and (3) see "...the FCC guidelines as a valuable tool for States to use as they deem appropriate within their local jurisdictions, to be augmented with state specific rules as necessary." All these positions are consistent with the November resolution, and, NARUC's leadership, after consultation with the Ad Hoc Telecommunications group during a series of conference calls, authorized filing these comments generally supporting the WUTC positions.

In addition, the bulk of the WUTC comments provide useful insights on the technical details of the FCC's proposal. Again, during the same series of calls and consultations, NARUC determined to support the inclusion of these specific proposals in the record in this proceeding.

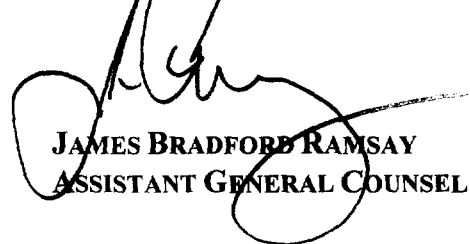
III. Conclusion

States have responsibility for monitoring and enforcement at the local level. The detailed comments given reflect the State's strong interest in this proceeding. As noted, supra, NARUC generally supports the initial comments filed by the WUTC on June 2 in this proceeding.

RESPECTFULLY SUBMITTED.



CHARLES D. GRAY
GENERAL COUNSEL



JAMES BRADFORD RAMSAY
ASSISTANT GENERAL COUNSEL

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APPENDIX A – “Operations Support Systems Performance Standards”

WHEREAS, The Telecommunications Act of 1996 ("the Act") establishes and mandates certain deregulatory and procompetitive policies for local exchange services that are to be advanced and implemented by the Federal Communications Commission (FCC) and the State Commissions; and

WHEREAS, The FCC, on August 8, 1996, issued its First Report and Order ("Local Competition Order") in CC Docket No. 96-98 (Implementation of the Local Competition Provisions of the Telecommunications Act of 1996), in which it found the requirement that competitive local exchange carriers ("CLECs") be provided nondiscriminatory access to the ILECs' operations support systems ("OSS") to be necessary and essential; and

WHEREAS, On August 19, 1997, the FCC adopted its Memorandum Opinion and Order ("271 Order") in CC Docket No. 97-137 (Application of Ameritech Michigan to Provide In-Region, InterLATA Services In Michigan), in which it found that OSS functions that BOCs provide to competing carriers for the ordering and provisioning of resale services must be equivalent to the access they provide to themselves; and

WHEREAS, In the 271 Order, the FCC further found that, in determining if a Bell Operating Company ("BOC") has met its OSS obligations under Section 271, it must ascertain whether the access to OSS functions provided by the BOC supports the three modes of competitive entry strategies established by the Act: interconnection, unbundled network elements, and services offered by resale; and

WHEREAS, The FCC concluded that it is necessary to consider all of the components of a BOC's provision of access to OSS functions:

- A point of interface (or "gateway") for the competing carrier's own internal operations support systems to interconnect with the BOC;
- Any electronic or manual processing link between that interface and the BOC's internal operations support systems (including all necessary back office systems and personnel); and
- All of the internal operations support systems (or "legacy systems") that a BOC uses in providing network elements and resale services to a competing carrier; and

WHEREAS, State Commissions are currently in the process of evaluating or will be evaluating BOC petitions for verification that the requesting BOC has met the obligations of the 271 Checklist, including nondiscriminatory access to OSS functions; and

WHEREAS, State Commissions' initial analysis and consultation in the FCC's consideration of any application under Section 271 may be aided by development of relevant OSS performance measurement categories and methodologies; now, therefore, be it

RESOLVED, That the National Association of Regulatory Utility Commissioners (NARUC), convened at its 1997 Annual Convention in Boston, Massachusetts, commends the FCC for its initial OSS evaluation provided in the 271 Order and supports the development of performance measurement categories and methodologies for provision of access to the components of OSS functions; and be it further

RESOLVED, That the FCC be urged to move promptly to advance the establishment of performance guidelines that can be used to evaluate the provision of access to the components of OSS functions by:

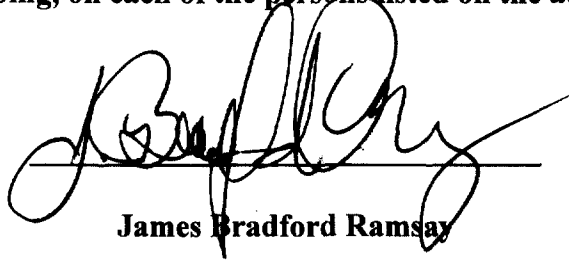
- Conducting a negotiated rulemaking involving interested industry and regulators to develop appropriate performance categories and measurements methodologies for reporting purposes that should be satisfied for documentation in the performance reports. Individual States should retain the ability to establish the actual performance benchmarks, or the minimum performance requirements, based upon the applicable ILEC's own performance data;
- Directing appropriate industry standards bodies to work with the NARUC and its staff to determine the technical specifications and guidelines needed for developing uniform access to OSS functions by a date certain;
- In the event that interested industry, regulators and industry standards bodies are unable to determine these requirements in a reasonable time frame, the FCC should initiate a proceeding in which it should develop performance categories and measurement methodologies for reporting purposes, and technical specifications and guidelines. Individual States should retain the ability to establish the actual performance benchmarks, or the minimum performance requirements, based upon the applicable ILEC's own performance data; and be it further

RESOLVED, That the NARUC requests that any such minimum performance standards that are developed would be designed to allow the State Commissions the most possible flexibility to apply more stringent OSS performance standards based upon review of local market conditions; and be it further

RESOLVED, That the NARUC authorizes its General Counsel to take any actions necessary to further the goals articulated in this resolution. Adopted by the Executive Committee on November 11, 1997

Certificate of Service

I, James Bradford Ramsay, hereby certify that I have served by first class mail, postage prepaid, the foregoing, on each of the persons listed on the attached service list

A handwritten signature in black ink, appearing to read 'James Bradford Ramsay', is written over a horizontal line. The signature is stylized with large loops and a long horizontal stroke extending to the right.

James Bradford Ramsay